

**Greater Louisville Inc.
Quarterly Report
July through September 2013**

Business Attraction/Expansion Combined Goals

	FY 2013/2014 Goals	1st Quarter Actual July 1 thru Sept. 30, 2013	Year to Date Actual July 1, 2013 thru June 30, 2014
a) New active clients	225	29	29
b) Locations	63	19	19
c) Net new jobs	4,500	630	630
d) Average salary	\$45,000	\$45,297	\$45,297
		Total payroll: \$28,537,180	Total payroll: \$28,537,180
e) New capital investment	\$200,000,000	\$204,121,000	\$204,121,000

Business Attraction

	FY 2013/2014 Goals	1st Quarter Actual July 1 thru Sept. 30, 2013	Year to Date Actual July 1, 2013 thru June 30, 2014
a) New active clients	68	15	15
b) Locations	18	7	7
c) Net new jobs	900	275	275
d) Average salary	\$45,000	\$44,999	\$44,999
		Total payroll: \$12,374,600	Total payroll: \$12,374,600
e) New capital investment	\$100,000,000	\$77,090,000	\$77,090,000

Business Expansion

	FY 2013/2014 Goals	1st Quarter Actual July 1 thru Sept. 30, 2013	Year to Date Actual July 1, 2013 thru June 30, 2014
a) New active clients	157	14	14
b) Locations	45	12	12
c) Net new jobs	3,150	355	355
d) Average salary	\$45,000	\$45,527	\$45,527
		Total payroll: \$16,162,580	Total payroll: \$16,162,580
e) New capital investment	\$100,000,000	\$127,031,000	\$127,031,000

Located (completed) Projects (1Q)

COMPANY	Avg. Salary	Investment	Jobs	Council District	Location Date
Cefalux	\$68,000	\$150,000	3	TBD / In Temp Space	Jul-13
Certi-Cell USA, LLC	\$34,986	\$1,000,000	90	B Shanklin	Jul-13
Click LLC dba Click IT Staffing	\$75,000	\$565,000	37	G Stuckel	Jul-13
Freedom Metals Inc.	\$60,000	\$4,500,000	20	Oldham	Jul-13
Kentucky Kingdom, LLLP	\$50,000	\$40,000,000	40	D Johnson	Jul-13
Master Distiller Select, LLC	\$35,000	\$12,000,000	40	D Tandy	Jul-13
Orion RX	\$65,000	\$2,000,000	15	J Miller	Jul-13
Peerless Bourbon	\$50,000	\$5,000,000	10	D Tandy	Jul-13
White Clay Consulting	\$75,000	\$2,200,000	15	T Ward-Pugh	Jul-13
Zoeller Company	\$36,400	\$4,100,000	40	M Woolridge	Jul-13
Brady Worldwide	\$39,130	\$18,250,000	120	V Aubrey Welch	Aug-13
Clarendon Flavor Engineering	\$38,000	\$5,500,000	8	M Woolridge	Aug-13
Clariant Corporation	\$49,920	\$71,800,000	27	D James	Aug-13
ConnTek	\$32,000	\$1,125,000	25	S Benson	Aug-13
M&M Cartage	\$45,000	\$7,500,000	50	B Shanklin	Aug-13
Park Community Credit Union	\$75,000	\$10,106,000	20	S Benson	Aug-13
Rev-A-Shelf, Inc.	\$27,040	\$16,000,000	25	K Kramer	Aug-13
Trilogy Investors LLC dba Trilogy Health Services	\$62,400	\$1,150,000	25	M Parker	Aug-13
Westport Fuel Systems Inc.	\$31,000	\$1,175,000	20	G Stuckel	Sept-13

**Jefferson County Companies Receiving Preliminary Approval of Kentucky Tax Incentives
July 1 thru September 30, 2013**

Company	Approval Date	Incentive	Program
Certi-Cell USA, LLC	Jul-13	\$950,000	KBI
Clariant Corporation	Jul-13	\$500,000	KBI
Clariant Corporation	Jul-13	\$500,000	KEIA
Park Community Federal Credit Union	Jul-13	\$160,000	KBI
Westport Fuel Systems, Inc.	Jul-13	\$225,000	KBI
Westport Fuel Systems, Inc.	Jul-13	\$25,000	KEIA
Clarendon Flavors	Jul-13	\$40,000	KEDFA
Churchill Downs, Inc.	Aug-13	\$1,000,000	KBI
Filtrona, LLC (dba Alliance Plastics)	Aug-13	\$350,000	KBI
M&M Cartage Co., Inc.	Aug-13	\$650,000	KBI
M&M Cartage Co., Inc.	Aug-13	\$150,000	KEIA
Trilogy Investors, LLC	Aug-13	\$300,000	KBI
Whole Alternatives, LLC	Aug-13	\$250,000	KBI
XPO Logistics, LLC	Sept-13	\$1,698,000	KBI

Note: Preliminary approval of incentives does not signify a final commitment by the company to locate or expand in Louisville, and Greater Louisville Inc. does not count projects as completed until the company completes a real estate financial transaction. However, the vast majority of companies that apply and are approved for incentives do ultimately locate or expand.

Business Networks

Focuses on the creation, leadership and management of networks of businesses that are aligned with the community's economic vision, including health, logistics and traditional strengths. Business Networks help set direction for business attraction/expansion efforts, research economic impact and competitive strengths and weaknesses and help set human capital, infrastructure and public policy strategies.

Advanced Manufacturing & Logistics Network

Strategy: Utilize strategic alliances to strengthen the opportunities and effectiveness of local businesses and create an environment where logistics and manufacturing professionals in Greater Louisville can come together to network and build business relationships

- In August, the Network hosted the seventh annual in Louisville and the fourth annual LogistXGames in Indianapolis. The LogistXGames is a unique annual competition to promote the logistics industry and its professionals. The LogistXGames is also a great opportunity for local and regional companies to build employee pride, establish teamwork principles and reinforce the safety standards vital to the industry. Companies rarely have an opportunity to interact. Promoting head to head competition will raise the bar for workers in the area and help to show national onlookers that Louisville is a city supporting a thriving logistics industry. Twenty teams participated in the Games including companies like: Home Depot, Clark Material Handling, Dare to Care Food Bank, Zappos, Genentech, Houston-Johnson, UPS Supply Chain Solutions, Best Buy/Geek Squad. More than 500 spectators watched the Games. The Games brought in over \$12,000 in sponsorships.
- New members: Dermody Properties and Equipment Depot.

Strategy: Serve as an advocate on public policy and legislative issues impacting the Greater Louisville logistics and manufacturing industries.

- A presentation on the local option sales tax initiative was presented to the Advanced Manufacturing & Logistics Network Board of Directors and the Network voted to give \$10,000.
- Members of the Network served on the Greater Louisville Inc. Public Policy Transportation Committee and help guide the creation of the 2012 – 2013 public policy agenda.

Other Activities

In July, the Network members participated in the two-day strategic planning retreat with Bob Taylor from The Oliver Group. A new mission, vision, strategic, focus areas and goal were outlined for the Network in addition to a detailed timeline and tactics for meeting the goals. The basic details are below.

Mission

Successfully advocate and support the Louisville region as the place where the world's products are distributed and produced.

Vision

Identify opportunities, prioritize, advocate, influence and connect the best thought leaders and forward thinking organizations to solve problems collectively.

Focus Areas for 2013 – 2017

- Workforce (talent) development
- Innovation in product and process design
- Educate on tax and policy issues

Strategies

- Ensure and validate innovation and problem solving incorporated into regional workforce development efforts.
- Assure development of regional capabilities for innovation and product design.
- Commission and publish a regional study of strengths and weaknesses of taxes and tax policy as they impact manufacturing and logistics.

- Event Attendance numbers for quarter: 619
- Current number of member companies: 110
- Current number of individuals participating: 211

Arts and Cultural Attractions Council

Education Strategy: Establish strong connections between the arts and cultural sector to the educational community and ensure that arts and culture are a part of the education of the youth of this region.

- The committee distributed a survey to all arts and cultural attractions in the region to measure the number of students served by the organizations as well as where those students come from in order to identify underserved schools or areas.
- Members of the committee continue to attend regularly planned meetings with the Metro United Way's Youth Print Initiative.

Collaboration Strategy: Collaborate meaningfully within sectors, across sectors and across geographies.

- The subcommittees of the Collaboration Committee YES! Fest: fundraising/grant writing, marketing/communications and kick-off event meet and continue to work on planning the YES! Fest 2015. In 2015, over 100 of the region's diverse and dynamic arts and cultural organizations will unite under the leadership of the Arts and Cultural Attractions Council (ACA) and use the power of YES to accomplish something greater than any one organization could do on its own. YES! Fest - A Year of Environment and Sustainability will provide a unique platform to explore these important topics. Through collaborative efforts as well as individual organizational programming, YES! Fest will connect the arts, culture and the environment in an innovative way that will actively engage audiences of all ages. Performances, exhibitions, and a diversity of programming will provide a wealth of artistic and cultural experiences and spark dialogue and thoughtful conversation throughout our community. The myriad of Yes! Fest activities and events throughout 2015 will demonstrate the impact these 100+ organizations have on education, recreation and the economy – the quality of life in Louisville.

Transformation Strategy: Establish the arts and cultural sector as a key component of our region. Define Greater Louisville's arts and cultural assets that make this area unique. Rally our members to support to LIFT (Local Investment for Transformation)

- The Full Council held a brainstorming session on potential ideas to put into the mix for funding consideration.

Other

- New Board of Directors Members include: Don Parkinson from the Kentucky Center for the Performing Arts (replacing the retiring Stephen Klein) and Matt Wallace, Kentucky Shakespeare.

Current number of member companies: 102

Current number of individuals participating: 180

Health Enterprises Network

Participation Statistics for all Networks

	July – September 2013
Companies Participating	215
Individuals Participating	1253
Event Attendance	475
Number of Events	3

Up-coming Events:

- 1) "Disney in Healthcare" – Thursday, August 8, 2013, The Olmsted
Featuring former Disney executive Lee Cockerell, author of the recently-released *The Customer Rules: The 39 Essential Rules for Delivering Sensational Service and Creating Magic: 10 Common Sense Leadership Strategies from a Life at Disney*
- 2) "Evidence-Based Design" - Thursday, September 5, 2013, Office Environment Company
With Craig Zimring PhD, an environmental psychologist and professor of architecture and psychology at Georgia Tech. Moderated by Janet Lively Heberle Associate AIA, vice chair, business development, Health Enterprises Network; vice president, marketing and business development, TEG. Introductions by Hall Render Killian Heath & Lyman and Thomas Hammer AIA, board member, Health Enterprises Network; partner, market healthcare sector leader and senior project manager, Luckett & Farley.
- 3) "The Coming Chaos – Provider Responses to Healthcare Reform: Lessons from Massachusetts" - Thursday, September 12, 2013, The Olmsted
Featuring Thomas Lee MD, MSc, chief medical officer for Press Ganey Associates and former network president of the nation's largest accountable care organization, Partners Healthcare System. Moderated by Steve Hester MD, senior vice president and chief medical officer, Norton Healthcare.

High Impact Portfolio

Description:

The High Impact Portfolio, administered by GLI's EnterpriseCorp, identifies and serves the needs of fast growth companies defined as those that are at least four years old, profitable, have exhibited at least 20% revenue growth for each of the last three years and with a minimum of \$1,000,000 in revenue. Program services include peer learning, talent recruitment, growth capital access and expansion planning. The Portfolio includes companies of these types headquartered in Louisville that have a disproportionately higher impact on the metro area economy through job and wealth creation. For more information, visit www.HighImpactLouisville.com.

Goals:

- Research and proactively contact high impact companies, offering them an array of client services to assist with their growth and expansion plans.
- Develop an action plan for each company that describes the company's business drivers, challenges and opportunities and where we can add value.
- Manage the following initiatives as part of the High Impact Program:
 - High Impact Showcase – annual recognition of newest companies selected to the High Impact Portfolio
 - High Impact Social Series -- provide quarterly social events to allow for socializing and networking among the executives of the companies selected to the High Impact Portfolio.
 - High Impact CEO Roundtables -- small groups led by a professional facilitator offering a unique setting for participants to gain the collective wisdom of other high impact CEOs through peer to peer learning.
 - High Impact Report Series -- provide research, survey data and business information on various topics of interest relative to the life cycle of a growth business.
 - High Impact Communication – distribute information, events and news about High Impact companies using our website, electronic newsletters and social media.

Results as of September 30, 2013

- | | |
|---|--|
| • New Companies Selected This Quarter | 1 |
| • Repeat Portfolio Company Projects Begun | 2 |
| • High Impact outreach meetings conducted | 8 |
| • Portfolio Category Breakdown | 126 Gazelles, 35 Renaissance and 27 Enabling companies |

- Total Company Revenues in Portfolio \$2,719,820,000
- Average Salary \$51,324
- Average Growth 37%
- Average Employee Growth over 3 Years 35%
- Percentage of Woman-owned Businesses 18%
- Percentage of Minority-owned Businesses 5%

There were 1 High Impact companies "located" this quarter as economic development projects.

Initial Contact	Location Date	Company (Project)	Investment	Jobs	Payroll	Avg. Salary
Jan-12	Jul-13	Freedom Metals	\$4,500,000	20	\$1,200,000	\$60,000

Talent – a subcommittee of the EnterpriseCorp Board of Advisors has convened to discuss the opportunity to match talent with gazelle (fast growth) companies having unfilled positions. A substantial number of High Impact companies are projecting higher growth from workforce expansion than from revenue growth. Many gazelle companies are caught in a “war for talent” with High Impact employers finding it challenging to keep the talent they’ve got and also find the qualified employees they need for their quickly growing businesses. High growth firms require a more strategic approach to decrease employee turnover, increase effective management practices, manage their labor force more effectively, and maximize their agility in changing business environments. The adoption of new talent attraction strategies by gazelle firms, in order to handle their workforce needs, should include using a blend of traditional employment (full- and part-time employees) and independent workers (in-sourced services, contract workers and consultants), thus providing a more agile workforce with the ability to respond to changing business needs. To support this, alternative methods of recruiting, attracting and retaining qualified employees are being discussed.

High Impact CEO Roundtable – a fourth roundtable is being organized for High Impact CEOs, Presidents, Founders, and Business Owners looking for a trusted advisory group and professional facilitator. A kick-off meeting is planned for prospective roundtable members for November with marketing efforts to support membership interest in progress.

High Impact Social Series – the last in the Series is scheduled for Thursday, November 7 for all High Impact companies and their staff to network and socialize with each other.

High Impact Report Series -- #5 Intrapreneurship – the fifth in the series focuses on corporate entrepreneurship, or intrapreneurship, and its merits, requirements and potential results for company innovation. Planned publication is fall 2013 and will be distributed to the primary executives of the High Impact Portfolio as an educational piece.

High Impact Communication -- our High Impact social media communication includes our quarterly newsletter, **Amplitude**, prepared and distributed on October 15. *Amplitude* provides news, insights and events for Louisville’s High Impact community. We send out news, information and kudos daily about and for High Impact companies through Facebook (**High Impact Lou**), Twitter (**@HighImpactLou**) and the LinkedIn group (**High Impact Lou**). We have also started a bi-monthly email compiling resources, events and program relevant to High Impact companies in our **Fast Growth Digest**. All information can be found on www.HighImpactLouisville.com.

Greater Louisville Inc.
Statement of Activities - Metro Government
For the 1st quarter and three months ended September 30, 2013

	1st qtr	ytd
Revenue		
Metro Government Funding	\$256,926	\$ 256,926
Total Revenue	<hr/> 256,926	<hr/> 256,926
Expense		
Salaries & Benefits	157,600	157,600
Travel and meals	5,492	5,492
Advertising/Marketing/Promotions	4,715	4,715
Outside Services	24,568	24,568
Program Rent/Materials/Labor	40	40
Sponsorship expense	300	300
Supplies, Charges	4,678	4,678
Administration Expense	30,831	30,831
Total Expense	<hr/> 228,224	<hr/> 228,224
Net Activities/(Deficit)	\$ 28,702	\$ 28,702

Supplemental Information:

Administrative cost recovery is limited to 12% of funding.